

Middle School Counselors

Objectives

- Have counselors understand the importance of talking about financing a college education early
- Provide counselors with tools and resources they can share with students and families to increase early financial planning

Materials

- Power Point presentation
- Handout

Trainer Tips

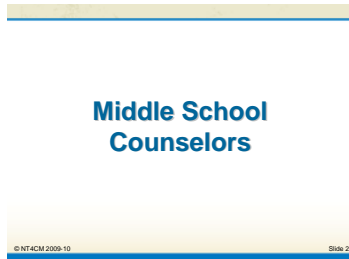
- The instructor's guide is just that, a guide. If you feel more comfortable training from the Power Point presentation, feel free to do so.
- If the workshop location has an Internet connection, consider giving participants an opportunity to explore the FAFSA4caster site.

Middle School Counselors

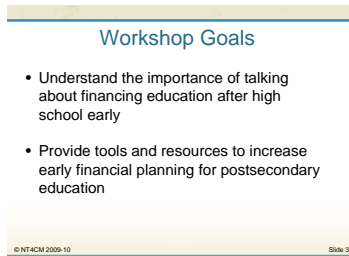
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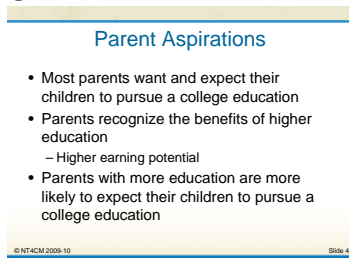
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I. Introduction

Note to Instructor: Information presented in this workshop regarding research into the role of middle school parents in the college planning process is taken from *From Aspirations to Action: The Role of Middle School Parents in Making the Dream of College a Reality*, a report released by the Institute for Higher Education Policy in December 2007. It is available at www.ihep.org.

Graduating from college is a goal that many students have, and this dream is shared by their parents. However, the college planning process, especially planning financially, can be overwhelming. The earlier families began preparing financially for college, the better.

A. Workshop Goals

- Understand the importance of talking about financing education after high school early; and
- Provide tools and resources to increase early financial planning for postsecondary education.

II. Why Talk about Financial Aid Now?

A. Parent Aspirations

➔ Refer participants to Page 1 of the Handout for the following discussion.

- Most parents want and expect their children to pursue a college education
- Parents recognize the benefits of higher education
 - Increased earning potential
- Parents with more education are more likely to expect their children to pursue a college education

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Parental Planning

- Students look to their parents as a key source of information
- One survey found that 45% of parents had taken none of the suggested steps to plan for college
- Many parents wait until their student is in high school before beginning the college planning process

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Financial Planning

- People tend to overestimate the cost of a postsecondary education
- Survey by the Institute for Higher Education Policy (IHEP) found that a majority of parents believe that they are at least partially responsible for paying for at least part of their children's postsecondary education

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Financial Planning

- Many parents prepare financially for college expenses by:
 - Saving money
 - Reducing spending
- Two thirds of parents with middle school students have not started saving money for college expenses
 - Other priorities
 - Believe that they have enough time to save

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Financial Planning

- Many parents hope that financial aid will pay for their child's education
- Unaware of available resources
 - Don't start researching financing options early enough
 - Students and their parents are not aware of the full range of available financial aid programs

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B. Parental Planning

- Students look to their parents as a key source of information
- One survey found that 45% of parents had taken none of the suggested steps to plan for college
- Many parents wait until their student is in high school before beginning the college planning process
 - Planning should begin much earlier

C. Financial Planning

- People tend to overestimate the cost of postsecondary education
- Survey by the Institute for Higher Education Policy, or IHEP, found that the majority of parents believe that they are at least partially responsible for paying for their child's postsecondary education
- Many parents prepare financially for college expenses by:
 - Saving money
 - Reducing spending
- Two thirds of parents with middle school students have not started saving money for college expenses
 - Other priorities
 - Believe they still have enough time to save
- Many parents hope that financial aid will pay for their child's education
 - Unaware of available resources
 - Don't start researching financing options early enough
 - Students and their parents are not aware of the full range of available financial aid programs

➔ *Before proceeding to the next topic, take the opportunity to engage participants in a discussion about the college planning of their middle school students. Some questions you could pose include:*

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Tools and Resources to Promote Financial Planning

- FAFSA4caster
- NASFAA's *Cash for College*
- College savings resources

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SLIDE 10

FAFSA4caster

- Comprehensive tool that gives students and parents a jump start on planning for college
 - Provides an early estimate of a student's financial aid eligibility
 - Allows students and families to get an early start on the financial aid process
- www.fafsa4caster.ed.gov

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- *How many of your students' parents have started planning for how they will pay college expenses?*
- *Do you think that your students and their families have a good understanding of what a college education will cost?*
- *How often do your students and their parents ask you about what they need to do to prepare financially for college?*
- *What college planning resources, if any, do you make available to students and their families?*
- *Do you offer "financial aid nights" for your students and their families?*

III. Tools and Resources to Promote Financial Planning

➔ *Refer participants to Page 2 of the Handout.*

Now that we have spent some time talking about parents' aspirations, college planning, and financial planning, let's turn our attention to some tools and resources that you can share with your students and their families. We will discuss:

- FAFSA4caster;
- *NASFAA's Cash for College*; and
- College savings resources.

A. FAFSA4caster

1. What is FAFSA4caster?

The FAFSA4caster is a comprehensive tool that gives students and families a jump start on planning financially for college.

Specifically it:

- Provides an early estimate of a student's federal financial aid eligibility; and
- Allows students and families to get an early start on the financial aid process.

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FAFSA4caster

Provides an early estimate of a student's financial aid eligibility by:

- Calculating an estimated expected family contribution (EFC)
- Estimating eligibility for the federal student aid programs

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FAFSA4caster

Benefits of an early estimate of a student's eligibility for federal aid:

- Give families an idea of how much they will be expected to contribute towards the student's education
- Provide families with a realistic estimate of how much of the student's expenses will be covered by federal aid

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FAFSA4caster

Benefits of an early estimate of a student's eligibility for federal aid:

- Prepare both student and parents for possibility of borrowing to cover costs
- Allow families to compare the relative value of federal aid at different types of colleges

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FAFSA4caster

Allows students and families to get an early start on the financial aid process:

- Basic information about the federal aid programs, including eligibility criteria
- Understand what information must be provided on the Free Application for Federal Student Aid (FAFSA)

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FAFSA4caster

Allows students and families to get an early start on the financial aid process:

- Reducing the time it will take to complete and submit a FAFSA
- Conducting an early match with the Social Security Administration
- Automatically generates and e-mails a Federal Student Aid Personal Identification Number (FSA PIN)

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FAFSA4caster provides an early estimate of a student's eligibility for financial aid by:

- Calculating an estimated expected family contribution (EFC); and
- Estimating eligibility for the federal student aid programs.

Providing an early estimate of a student's eligibility for federal aid provides benefits, including:

- Give parents an idea of how much the family will be expected to contribute towards the student's college education;
 - Give families an opportunity to review spending and saving habits
- Provide families with a realistic estimate of how much of the student's expenses could be covered by federal aid;
- Prepare both the student and his or her parents for the possibility of borrowing funds to cover costs; and
- Allow families to compare the relative value of federal aid at different types of colleges.
 - Public v. private, four year v. two year

The FAFSA4caster also allows students and their families to get an early start on the financial aid process by:

- Providing basic information about the federal financial aid programs, including eligibility requirements;
- Giving students and families an idea of what information they will need to provide when they are ready to complete a Free Application for Federal Student Aid or FAFSA;
- Reducing the time it will take to complete and submit a FAFSA;
- Conducting an early match with the Social Security Administration; and

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FAFSA4caster

Collects information about students and their families in a format similar to FAFSA on the Web:

- Demographic information
- Financial information
- Information to determine student's dependency status
- Information about the type of school student hopes to attend

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- Allows the family to resolve any issues, such as with student's Social Security number or documentation of citizenship status early
- Automatically generates and e-mails Federal Student Aid (FSA) Personal Identification Number or PIN to use with FAFSA on the Web.

2. How does FAFSA4caster work?

The FAFSA4caster collects information about students and their families by collecting data in a format similar to the one used by FAFSA on the Web. It collects information such as:

- Demographic data about the student and his or her family;
 - Including citizenship
- Information about the student's and his or her family's finances;
- Information used to determine a student's dependency status; and
 - Most traditional age college students must provide their parents' information on the FAFSA
- Information about the type of school the student hopes to attend.
 - Public v. private, two year v. four year, in-state or out of state

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FAFSA4caster

- Students must provide their Social Security number
 - Site is secure and U.S. Department of Education will not share information
- Students may save incomplete FAFSA4caster with a password and retrieve later
 - Must restart FAFSA4caster if password is lost

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To use the FAFSA4caster, students must provide their Social Security number. The FAFSA4caster Web site is secure, and the U.S. Department of Education will not share or sell the student's information. If students are unable to complete the FAFSA4caster all at once, they may save their information using a password. They can then use their password to retrieve their data later. If they forget their password, they will have to start a new FAFSA4caster.

➔ *Before discussing the next resource, engage participants in a discussion of how they can use FAFSA4caster to counsel their students and families. Would it work best with one-on-one counseling, or could be used as part of a group information session?*

B. NASFAA's Cash for College

➔ *Direct participants to Page 3 of the Handout for the discussion of NASFAA's Cash for College.*

A good “take home” resource that you can make available to your students and their families is *NASFAA's Cash for College*.

NASFAA stands for the National Association of Student Financial Aid Administrators, and is a nonprofit association of postsecondary institutions, individuals, agencies, and students interested in promoting the effective administration of student financial aid in the United States.

1. What is Cash for College?

Cash for College is a booklet that includes the following information:

- Helpful financial aid hints;
- Information about college costs;
- What is financial aid and financial need;
- What kinds of financial aid are available;
- How the EFC is calculated;
- Determining dependency status;
- Applying for need-based financial aid;
- The FAFSA process;
- Comparing financial aid offers;
- Applying for merit-based aid;

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NASFAA's Cash for College

Booklet that includes the following information:

- Helpful financial aid hints
- Information about college costs
- What is financial aid and financial need
- What kinds of financial aid are available
- How the EFC is calculated

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NASFAA's Cash for College

Booklet that includes the following information:

- Determining dependency status
- Applying for need-based financial aid
- The FAFSA process
- Comparing financial aid offers
- Applying for merit-based aid

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NASFAA's Cash for College

Booklet that includes the following information:

- The role of financial aid administrators
- What is a financial aid consultant
- A financial aid checklist

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NASFAA's Cash for College

You can use *NASFAA's Cash for College*:

- Make it available for students to pick up
- Use it during individual counseling sessions
- Provide it as part of a financial aid night presentation

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NASFAA's Cash for College

You can make *NASFAA's Cash for College* available in number of ways:

- Link to on-line brochure at <http://www.nasfaa.org/AnnualPubs/cashforcollege.pdf>
- Order copies from NASFAA

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- The role of financial aid administrators;
- What is a financial aid consultant; and
- A financial aid checklist.

2. How You can Use Cash for College

You can use *NASFAA's Cash for College* in a number of ways as you counsel your students and their families about preparing financially for college. You could:

- Make it available for students to pick up;
- Use it during individual counseling sessions; or
- Provide it as part of a financial aid night presentation.

➔ *Point out to participants that the NASFAA Publications Order Form and Credit Card Payment Form are on Pages 5 and 7 of the Handout.*

You can provide *NASFAA's Cash for College* to your students and their families in a couple of different formats. You can provide a link to the on-line brochure, or order copies from NASFAA for a small per-copy charge. Information about ordering copies is in your handout.

➔ *If you have time, you may want to ask participants how they would utilize a tool such as NASFAA's Cash for College in their counseling efforts.*

C. College Savings Resources

Earlier, we discussed the fact that research shows that many parents of middle school students have not saved for their children's college education. We will now discuss a few resources you can provide to parents about saving for college.

➔ *Refer participants to Page 4 of the Handout for the following discussion of college savings resources.*

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College Savings Plan Network

- www.collegesavings.org
- Provides information about saving for college and 529 plans, including:
 - Why saving for college is important
 - What is a 529 plan
 - A college cost calculator
 - Links to state 529 plans
 - A 529 plan comparison tool
 - Common questions

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Independent 529 Plan

- www.independent529plan.org
- Allows families to set up a 529 plan that can be used at a number of schools across the country
- Resources on site include:
 - A savings calculator
 - A tool to compare college savings options
 - Articles, newsletters, podcasts, calculators, and educational links

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SavingforCollege.com

Site offers tools and resources about 529 plans:

- A tool that rates 529 plans
- A tool that compares 529 plans
- A college cost calculator
- Q and As

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1. College Savings Plans Network

The College Savings Plans Network's, or CSPL, Web site provides information about saving for college and 529 plans, including:

- Why saving for college is important;
- What is a 529 plan;
- A college cost calculator;
- Links to state 529 plans;
- A 529 plan comparison tool; and
- Common questions.

2. Independent 529 Plan

The Independent 529 Plan allows families to set up a 529 plan that can be used at a number of schools across the country.

Resources on the site include:

- A calculator to determine a family's college savings need;
- A tool to compare college savings options; and
- Articles, newsletters, podcasts, calculators, and educational links.

3. SavingforCollege.com

This Web site offers many tools and resources about 529 plans.

Resources that you will find include:

- A tool that rates 529 plans;
- A tool that compares 529 plans;
- A college cost calculator; and
- Q and As.

IV. Conclusion

Today, we have talked about the reality that while most parents of middle school students want their children to graduate from

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Using Financial Planning Tools

Ways you can use tools discussed during today's workshop:

- Individual counseling sessions
- Group financial aid presentations
- Material distribution
- School Web sites

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college, many are not financially prepared to help their children achieve this dream.

We also discussed some tools that are available to students and their families as they prepare financially for college. We reviewed:

- FAFSA4caster;
- *NASFAA's Cash for College*; and
- College savings resources.

I hope that we all agree that it is important to encourage students and their families to begin preparing financially for college as soon as possible. Make the tools that we have discussed today available to your students and families through:

- Individual counseling sessions;
- Group financial aid presentations;
- Materials distribution; and
- School Web sites.

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Thank you for taking time out of your busy schedule to attend this session on discussing preparing financially for college with middle school students and families.